

**IN THE UNITED STATES BANKRUPTCY COURT
FOR THE DISTRICT OF DELAWARE**

In re:)	Chapter 11
)	
W. R. GRACE & CO., et al., ¹)	Case No. 01-01139 (AMC)
)	(Jointly Administered)
Reorganized Debtor.)	
)	Re docket no. _____
)	Hearing Agenda item no. _____

**ORDER FINDING THAT RUNE KRAFT IS IN CONTEMPT OF THIS COURT BY
HAVING WILLFULLY AND KNOWINGLY VIOLATED THIS COURT’S
CONFIRMATION ORDER AND ITS ORDER OF AUGUST 26, 2021 [DOCKET NO.
33256] BY FILING HIS MOTION FOR AN ARTICLE III COURT’S REVIEW OF
THIS COURT’S AUGUST 26 ORDER**

Upon consideration of the *Reorganized Debtor’s Emergency Motion for an Order Finding That Rune Kraft Is in Contempt of This Court by Having Willfully and Knowingly Violated This Court’s Confirmation Order and Its Order of August 26, 2021 [Docket No. 33256] By Filing His Motion for an Article III Court’s Review of This Court’s August 26 Order [Docket No. 332**]* (the “Motion”); it appearing that the relief requested is in the best interests of the Reorganized Debtor, its estates, its creditors, and other parties-in-interest; the Court having jurisdiction to consider the Motion and the relief requested therein pursuant to 28 U.S.C. §§ 157 and 1334 and the *Amended Standing Order of Reference* from the United States District Court for the District of Delaware, dated February 29, 2012; consideration of the Motion and the relief requested therein being a core proceeding pursuant to 28 U.S.C. § 157(b), and that this Court may enter an order consistent with Article III of the United States Constitution; venue being proper before the Court pursuant to 28 U.S.C. §§ 1408 and 1409; notice of the Motion having been adequate and appropriate under the

¹ W. R. Grace & Co. (f/k/a Grace Specialty Chemicals, Inc., or “Grace”) is the sole remaining Reorganized Debtor and Case No. 01-1139 is the sole remaining open Grace Chapter 11 Case. All capitalized terms not defined herein shall have the meaning ascribed to them in the Motion.

circumstances; and after due deliberation and sufficient cause appearing therefor, the Court makes the following FINDINGS OF FACT:

1. On August 27, 2021, Rune Kraft filed a motion captioned *Motion for the Article III Court to Review the Order Issued by the Article I Court* (the “Arizona Article III Motion”) in the United States District Court for the District of Arizona (the “Arizona District Court”) in the matter captioned *Kraft v. Chevron Corp. et al.*, Case No. 2:21-cv-00575-DJH (D. AZ) (the “Arizona-Chevron Litigation”).
2. This Court’s *Order*, entered August 26, 2021 [*Docket no. 33256*] (the “August 26 Order”) states in relevant part: “Kraft is barred from taking any other action in the Arizona Chevron Action involving or otherwise pertaining to Grace except for filing the pleading seeking Grace’s dismissal from the Arizona Chevron Action and any other actions necessary to have Grace dismissed from the Arizona Chevron Action.” *Id.* at ¶ 31.b.
3. Mr. Kraft had actual knowledge of the Confirmation Order and the complete bar to him filing any pleading or taking any other action in furtherance of his discharged claim.
4. Mr. Kraft had actual knowledge of the entry of the August 26 Order, and of the contents of the Order, including but not limited to ¶ 31.b thereof.
5. Mr. Kraft’s filing of his Arizona Article III Motion constituted an action in the Arizona-Chevron Litigation, and was therefore a violation of the August 26 Order.
6. Mr. Kraft had no “fair ground of doubt” that his actions were in violation of this Court’s Confirmation Order and August 26 Order.
7. Mr. Kraft had no “objectively reasonable basis for concluding” that filing the Arizona Article III Motion did not violate this Court’s Confirmation order and August 26 Order.
8. Mr. Kraft acted willfully and knowingly in filing the Arizona Article III Motion.

Based upon the foregoing findings of facts, it is hereby ORDERED that:

- A. The Motion is granted in its entirety.
- B. Rune Kraft shall file a pleading in the Arizona District Court seeking to withdraw his Arizona Article III Motion within two (2) days of entry of this Order.
- C. Mr. Kraft shall file a notice of that pleading on the docket in the above-captioned Chapter 11 Case.
- D. Mr. Kraft shall comply with the requirement set forth in August 26 Order ¶ 31.a to file a pleading in the Arizona District Court seeking dismissal of the Reorganized Debtor with prejudice from the Arizona-Chevron Litigation.
- E. Entry of this Order shall not prejudice the right of the Reorganized Debtor to seek sanctions for this or subsequent violations of the Confirmation Order, the August 26 Order, this Order, or any other orders of this Court.
- F. The Court shall retain jurisdiction to hear and determine all matters arising from or relating to the implementation of this Order, the Dismissal Pleading, and any motion for sanctions brought against Mr. Kraft.

G. This Order shall be effective and enforceable immediately upon entry and its provisions shall be self-executing and shall not be stayed under Fed. R. Bankr. P. 7062, Fed. R. Bankr.

P. 9014 or otherwise.

Dated: September 8, 2021

A handwritten signature in black ink, appearing to read 'Ashely M. Chan', written over a horizontal line.

Honorable Ashely M. Chan
United States Bankruptcy Judge